



# GPV

Accomplish more – sustainably

# 3.2

DKK bn revenue in 2021

GPV is one of Europe's top-10 EMS companies



### Production units in

Denmark, Switzerland, Germany, Austria, Slovakia, Thailand, Sri Lanka and Mexico

# 4

sales or production units whose energy consumption is covered entirely by renewable electricity

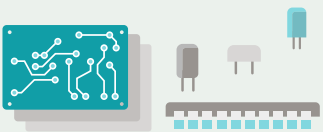
# 3,900

employees

# GPV's business model

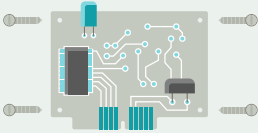


GPV is a leading European EMS (Electronics Manufacturing Services) company. Core products are electronics, mechanics, cable harnessing, mechatronics (combination of electronics, mechanics and software) and associated services. GPV creates value by leveraging benefits of scale in a global production setup and by producing products more efficiently than customers can in-house. The company operates in the high mix/low-medium volume part of the EMS segment. This approach enables more customers to use the same production apparatus, helping to reduce the consumption of resources in society through more optimal capacity utilisation.



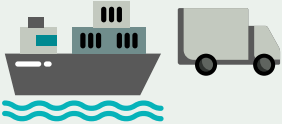
## PROCUREMENT

GPV sources electronic components and plastic elements as well as steel, copper and aluminium from a range of suppliers. Sourcing is based on customer product specifications and done by order or forecasting from customers.



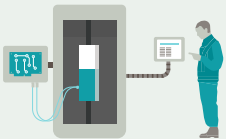
## PROCESSING

Materials and components form part of different types of production processes, depending on customer needs. Typically, during a design and test phase, GPV offers to provide specialist knowledge in the production of electronics, mechanics and/or cable-harnessing.



## LOGISTICS

Thanks to its international presence, GPV is able to manufacture products close to where the customers are, ensuring efficient logistics solutions and delivering quickly and true to order. GPV is able to organise freight and logistics in cooperation with external partners.



## CUSTOMERS

GPV serves some 300 internationally oriented customers within a range of industries, including industry and instruments and the cleantech, transport and medtech industries.



## ASSEMBLY

GPV offers complete box-build solutions involving assembly and testing of electronics, mechanics and cables, so customers can skip this process while being assured that their finished products comply with all quality standards.



# 2030 ambitions

GPV has set ESG ambitions rooted in the core principle of DoMoreWithLess that build on the company's impressive achievements in 2016–2020. The company is working with ambitions under the tagline "more\*" and under two of them with specific intermediate targets for 2025 in order to strengthen momentum for the next couple of years. Plans are also to develop KPIs towards 2030 for the other areas.

GPV



**More renewable energy, less scrap, and less resource consumption**

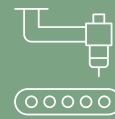
Reduce GHG emission intensity by 50% by 2025 (Scope 1+2)



**More safety, more welfare, and more focus on next gen**

LTIFR < 1 in 2025

Develop KPI for welfare and next gen impact



**More capacity utilisation, more recycling, and more sustainable supply**

Develop KPI for capacity utilisation

Develop recycling KPI and sustainable supply KPI





# Actions and results

## Environment

Setting an intermediate target for the period to 2025 to reduce emission intensity by 50%, GPV is launching an ambitious effort to reduce its GHG emissions. GPV has for over a decade taken a dedicated approach to energy optimisation and to reducing the energy consumption in its processes.

### Increasing use of renewable energy

The company is now applying its long-standing experience in energy optimisation by focusing on GHG emissions. A key element of these efforts will inevitably be the transition to more renewable energy. Since 2020, GPV's units in Austria have been sourcing electricity from renewable sources with guarantees of origin, and the production and sales units in Germany cover their entire electricity consumption with renewable electricity as well.

GPV saw an increase in business activity in 2021 and in combination with a restructuring of activities in Asia has achieved scale benefits that have enabled the company to improve its energy efficiency. However, the overall effect of the increase in activity combined with a spike in the emission factor in Sri Lanka has increased GPV's GHG emissions from 9,207

tonnes of CO<sub>2</sub>e in 2020 to 9,860 tonnes in 2021. On the other hand, emission intensity, i.e. tonnes of CO<sub>2</sub>e emissions per DKK million of revenue, fell by 3.1% from 3.2 tonnes of CO<sub>2</sub>e per DKK million to 3.1 tonnes.

### Decisions on installing a solar panel system

The company has decided to install a solar panel system at the factories in Thailand and Sri Lanka in 2022. Due to a combination of business volume and local emission factors, the Asian units are the largest contribu-

tors to GPV's overall GHG emissions, and the solar panel systems are expected to contribute to reducing future GHG emissions by a substantial margin. The savings to be achieved are expected to outweigh the investments.

### Working strategically with sustainability

GPV is in the process of mapping the possibilities and initiatives that will form the foundation for achieving the company's long-term objectives of its climate and environmental efforts. These efforts are strategically

anchored in and form an integral part of the commercial business strategy.

GPV is also focused on a more comprehensive environmental agenda with a main focus on, for example, managing and minimising waste in production and continually working on compliance with conflict minerals legislation and European chemicals legislation, the so-called REACH and RoHS regulations as well as other relevant legislation.



GPV's electronics factory in Bangkok, Thailand

# Actions and results

## Social

In 2021, GPV was engaged in the long-term in-house process in 2021 of rolling out and promoting awareness of its core values. These values are the foundation upon which GPV conducts its business, and the focus was on building employee awareness of the values and how they influence the employees in everyday situations. The values create a sense of cohesion and are intended to guide the employees and strengthen the company's 'One GPV' culture.

### Employee health and safety

The pandemic continued to impose extra precautions in 2021 and an increased focus on employee health and safety. GPV has production facilities at different locations around the world and the impact of the pandemic has varied from site to site, but it has been absolutely fundamental for the company that employees across countries and units have been able to go to work and return home safely every day. Access to testing has been a priority for GPV, offering employees on-site testing as well as vaccination, in order to keep production running and safeguard employee health and safety.

Kulugammana Wataraka Arabegeedara Achini Jayamali, Production Associate, Sri Lanka



### All production units certified according to the ISO 45001 standard

Another three GPV production units had their management systems certified according to the ISO 45001 health and safety management standard in 2021. With all GPV

production units now certified according to this standard, GPV is able to document that its production anywhere in the world is compliant with strict health and safety requirements. Nevertheless, the LTI frequency rate increased slightly from 1.9 incidents per

million working hours in 2020 to 2.0 incidents in 2021, triggering an increased focus on initiatives to register near-misses and increase preventive efforts. These are necessary steps, because GPV has the extremely ambitious target of achieving an LTI frequency rate of less than 1 by 2025. In Thailand, for example, the company has appointed another environment, health and safety manager charged with stepping up the focus on HSE going forward.

### Human rights and working conditions

While GPV has updated its general risk assessment within human rights, there have been no changes to the company's overall approach of focusing mainly on the production facilities in Sri Lanka, Thailand and Mexico. Compliance with basic human rights, ILO conventions and local legislation is given particular attention at all three sites. GPV wants to continue to be an attractive place to work, and all employees must have decent and well-organised working conditions. GPV will continue its social efforts going forward and pursue new initiatives and ambitions.



# Actions and results

## Governance

### Capacity utilisation

Consistent with the overall objective to DoMoreWithLess, a fundamental business principle for GPV is for its factory sites to have very high production capacity utilisation rates so as to maximise the value-to-resources ratio. Prior to 2021, GPV did not have a specific capacity utilisation target, but one will be defined going forward to 2025.

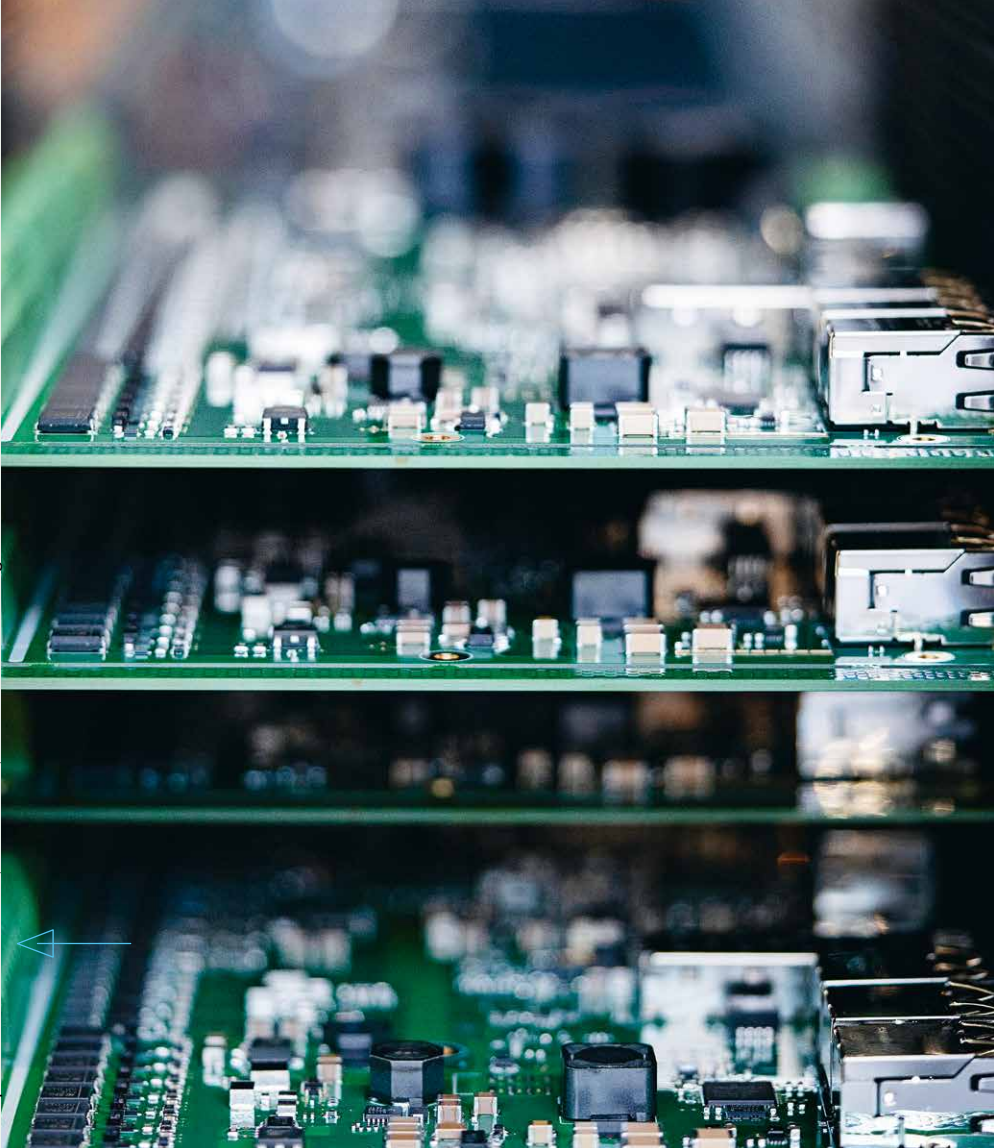
### Supplier management and Code of Conduct

Considering the challenges in 2021 involving shortages of components and materials as well as issues involving logistics, focus has been directed at suppliers. The main priority has been to perform on all contract and agreements and to ensure timely delivery to customers but in a responsible way. Some of these efforts required extra work to ensure that both existing and new suppliers comply with the requirements and standards that apply. GPV has a large number of suppliers as the company makes a wide range of products for its customers, and many of these products include highly specific components. On account of the scarcity of materials, it has been necessary to identify new suppliers, but responsibility in the supply chain has been a

priority as well. The extra efforts that these special circumstances have brought on, has shown that it was possible for GPV to increase the share of suppliers with a signed Code of Conduct from 42% to 62% in 2021 measured in value of purchase, despite the challenging situation.

### New training system

GPV acquired a new e-learning system in 2021, and after being tested in the spring, the system has now been rolled out across the organisation. The system is used to train employees in cybersecurity, anti-corruption and general business ethics based on the company's general Code of Conduct. The programme is ongoing, and relevant new employees are required to complete the course when they start their employment with GPV, and existing employees have to complete regular follow-up sessions. ✕



Core products are electronics, mechanics, and cable harnessing